

REDEVELOPMENT AGENCY  
OF THE  
CITY OF BURBANK, CALIFORNIA }

RESOLUTION NO R- 2130

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF  
THE CITY OF BURBANK APPROVING A COMMERCIAL  
REHABILITATION AGREEMENT BETWEEN THE  
REDEVELOPMENT AGENCY AND PALLISER FURNITURE  
LTD FOR THE REHABILITATION AND IMPROVEMENT OF A  
COMMERCIAL BUILDING LOCATED AT 308 NORTH SAN  
FERNANDO BOULEVARD

RA 60

THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK FINDS

A The Redevelopment Agency of the City of Burbank (the "Agency") is a community redevelopment agency duly organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq*, (the "CRL") and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (the "City Council") of the City of Burbank (the "City"). The Agency is thus engaged in activities necessary to carry out the development of the Agency's City Centre Redevelopment Project (the "Project Area")

B On November 19, 2002, the Agency established the Downtown Tenant Assistance Program ("DTAP") to effectuate the redevelopment and rehabilitation of vacant and blighted buildings within the Project Area

C Palliser Furniture Ltd ("Developer"), the parent company of EQ3 Franchise Holdings Ltd ("EQ3"), has executed a Commercial Rehabilitation Agreement ("Agreement") that will provide a forgivable Agency loan in an amount not to exceed Two Hundred Fifty-Seven Thousand Eight Hundred Dollars (\$257,800) to the Developer to rehabilitate the former commercial building located at 308 North San Fernando Boulevard in downtown Burbank ("Building"). The Agency loan will be contingent on the execution of a lease with Palm Avenue Associates for approximately 8,725 adjusted gross square feet of the Building. The Agreement requires the Developer to construct, or cause the construction of, base building improvements and tenant improvements ("Improvements") for the building. The Agreement provides for the Developer to cause the operation of an EQ3 furniture store in the Building upon completion of the Improvements, which operation is a contingency for the forgiveness of loan payments under the Agreement. The Agreement also provides for the Agency to receive

participation in a percentage of gross revenues above a threshold amount from the operation of an EQ3 furniture store in the Building

D The Agency finds that the Agreement will result in the elimination of blight in the Project Area and is in the interest of the health, safety, and welfare of the City's residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements


THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK RESOLVES

1 The terms and provisions of the Commercial Rehabilitation Agreement ("Agreement") by and between the Redevelopment Agency of the City of Burbank and Palliser Furniture Ltd. are hereby approved

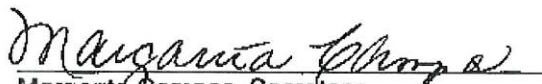
2 The Executive Director of the Agency and the Secretary of the Agency are hereby authorized to execute and attest the Agreement, respectively, including related attachments, on behalf of the Agency. A copy of the Agreement when executed by the Agency Executive Director and attested by the Agency Secretary shall be placed on file in the office of the Secretary of the Agency

3 The Executive Director, or her designee, is authorized to implement the Agreement and take all further actions and execute all documents necessary or appropriate to carry out the Agreement. The Executive Director is hereby authorized to the extent necessary during the implementation of the Agreement to make technical or minor changes to the Agreement, after execution, as necessary to properly implement and carry out the Agreement, provided that said changes shall not in any manner materially affect the rights and obligations of the Agency

PASSED AND ADOPTED this 26th day of April, 2005

  
 Marsha Ramos  
 Chairperson of the Redevelopment  
 Agency of the City of Burbank

Attest

  
 Marganta Campos, Secretary

Approved as to Form and Legal Content  
Dennis A. Barlow, City Attorney/Agency Counsel

By Michael J. Garcia  
Michael J. Garcia, Senior Asst. City Attorney

STATE OF CALIFORNIA       )  
COUNTY OF LOS ANGELES   )     ss  
CITY OF BURBANK           )

I, Margarita Campos, Secretary of the Redevelopment Agency of the City of  
Burbank, do hereby certify that the foregoing Resolution was duly and regularly passed  
and adopted by the Redevelopment Agency of the City of Burbank at its regular meeting  
held on the 26th day of April, 2005 by the following vote

AYES       Members Campbell, Golonski, Murphy, Vander Borcht and Ramos.

NOES       Members None.

ABSENT     Members None.

Margarita Campos  
Margarita Campos, Secretary